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FRUEHAUF

ANNUAL REPORT 1974

ANNUAL MEETING OF SHAREHOLDERS

The Annual Meeting of Shareholders of the Fruehauf Trailer Company of Canada Limited will be held on Friday, April 18, 1975, at 2:30 p.m. (Toronto time) in the Board Room of National Trust Company Limited, 3rd floor, 21 King Street East, Toronto, Ontario.

Proxies will be solicited from Shareholders when the Notice of Annual Meeting and Proxy Statements are mailed on or about March 27, 1975.

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Head Office:
Fruehauf Trailer Company of
Canada Limited
2450 Stanfield Road
Mississauga, Ontario L4Y 1S3

FINANCIAL AND STATISTICAL HIGHLIGHTS

	<u>1974</u>	<u>1973</u>
Net Sales	\$60,073,980	\$51,031,753
Earnings before Taxes on Income	9,539,837	7,687,493
Earnings: Per cent to Sales	15.9	15.1
Net Earnings	5,388,837	4,260,493
Net Earnings: Per cent to Sales	9.0	8.3
Net Earnings per Share	1.99	1.57
Dividends per Share40	.40
Net Assets (Book Value) per Share	11.35	9.75
Total Assets	49,429,223	41,022,816
Working Capital	25,054,640	19,713,525
Number of Shareholders	417	394
Number of Employees	966	1,145

Model "F" Beaded Panel "Doubles Unit"



REPORT ON OPERATIONS — 1974

To Our Shareholders:

Again in 1974 Fruehauf-Canada established new records in both Sales and Earnings. Total sales reached a record \$60,073,980 representing an 18% increase over the \$51,031,753 attained in 1973. Net earnings for the year were \$5,388,837, up 26% from the \$4,260,493 record achieved in the previous year. Current earnings are \$1.99 per share and compare to the \$1.57 per share earned one year earlier. The 1974 year was one of severe inflationary pressures with dramatic cost increases in many major components. The high level of productivity maintained throughout most of the year has enabled us to offset the other wise adverse effects of cost pressures.

Dividends to Shareholders

During the year two interim dividends of 20 cents per share were paid. The first on March 29, based on the second half of 1973, the second on September 19, 1974 based on the first half of the 1974 year. On February 27, based on the results of 1974, a dividend of 20 cents per share has been declared payable to all holders of common shares, other than the major shareholder, Fruehauf Corporation (U.S.). This dividend is payable March 31 to holders of record March 7, 1975. Fruehauf Corporation (U.S.) is waiving its right to the dividend thus permitting the funds otherwise payable to be retained for working capital purposes. This action apart from strengthening Fruehauf-Canada in 1975, does further enhance the equity position of all other shareholders.

Operation Highlights

During most of 1974 we operated at levels exceeding one shift production capacity. In the first half of the year many materials were in short supply and component costs increased at an alarming rate. During the latter portion of the year, as a result of the general economic trend, materials availability returned to a more normal condition. Coincident therewith, cost escalation moderated, *in the quarter the cost of* although certain component items are continuing to climb.

Throughout the entire year we have been reasonably successful in maintaining a close relationship between cost and price movement. Thus with the completion of the year our final gross profit on sales bettered the previous year. With a continuing control over expenses and

supported by an aggressive financing program, pre-tax earnings improved 8/10ths of one per cent to 15.9% of sales.

Financing Products Sold

As a result of our concentrated effort to improve our participation in financing of products and equipment sold we have realized a significant benefit during the year. Finance revenue increased 39.9% in the year to \$2,049,814. Our investment in installment contracts at year-end was up \$3,140,642, a 21.8% increase in the twelve months. Total portfolio now stands at \$17,545,115 in comparison to \$14,404,473 a year earlier. However, during the year there was a marked change in the number of customers selecting the leasing method of equipment financing. As a result equipment leased to customers declined \$1,276,928 from \$4,694,717 to \$3,417,789.

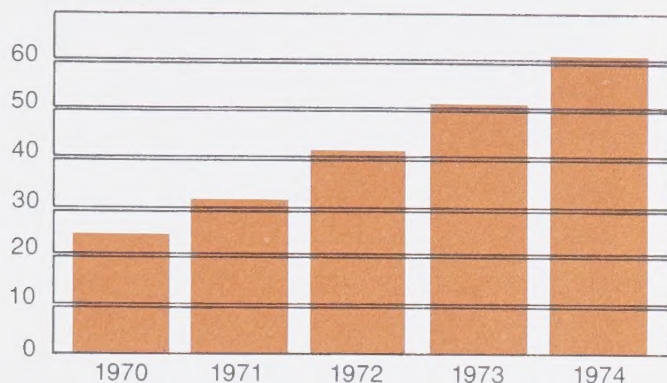
We intend to expand the investment in these revenue producing activities. While there are various considerations that may affect our customers' selection of one or the other of the available financing modes, we are in a position to offer many combination plans to best suit their financial needs at any given point in time. *what are*

Capital Expenditures and Depreciation

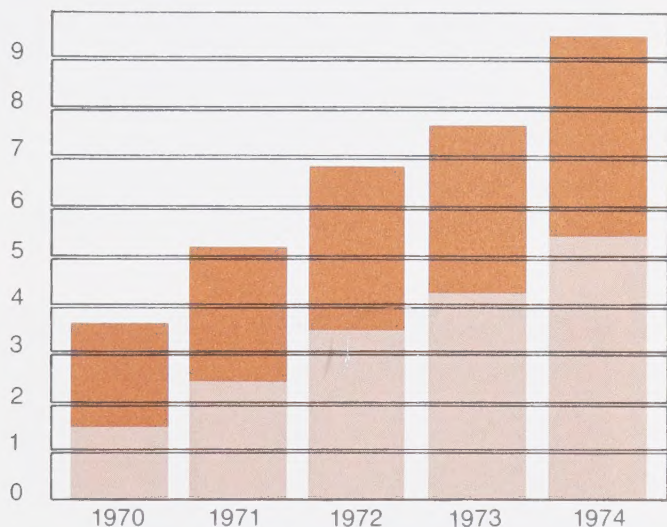
Expenditures for capital equipment during 1974 were held to less than half those of the previous year. In this period of excessively high cost of money, our additions to plant and equipment were \$424,063, compared to over \$1 Million in the preceding period. We have however, followed our philosophy of providing adequate production and service equipment on a cost justified investment basis. *more*

Depreciation of plant and equipment in the current year was \$481,757 as compared to \$382,910 in the prior year. This higher level of cost is directly attributable to the extensive facilities investment program carried out during 1972 and 1973. Our practise of depreciating plant and equipment for financial statement purposes on a straight-line basis over the estimated useful life of various equipment categories has been maintained. Generally we employ a ten year life on machinery and equipment, seven years on automotive and forty years on buildings and structures.

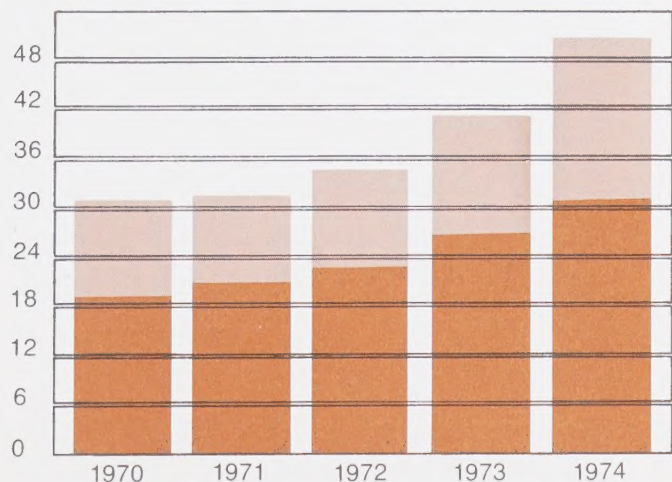
NET SALES \$ MILLIONS



NET EARNINGS \$ MILLIONS
EARNINGS BEFORE TAXES ON INCOME



TOTAL ASSETS \$ MILLIONS
SHAREHOLDERS' EQUITY



Depreciation of equipment leased to customers was \$1,164,293, down from the \$1,323,637 in the previous year. The reduced depreciation is indicative of the trend away from leasing in favour of direct financing. Equipment leased to customers is amortized over the term of the lease to a projected terminal value. Normally such equipment is then disposed of by sale through our used equipment marketing operation. This operation provides an additional source of revenue.

Financial Position

A substantial increase in working capital was achieved in the year, primarily due to the high net earnings attained. Working capital increased \$5,341,115 to \$25,054,640 compared to 1973 at \$19,713,525. During this period of high borrowing cost the working capital increase has been beneficial in financing the required higher levels of both finance receivables and inventories.

The increase in our inventories at year end to \$14,459,363 compared to \$8,399,089 a year earlier bears direct relation to the consistent high productivity of the period and present order backlog held. We continue to exert control over inventory categories by regular turnover analysis.

In 1973 the Company entered the short term commercial paper field and we have consistently borrowed in this market throughout 1974. We issue our own short term promissory notes, providing a greater degree of flexibility in meeting our current borrowing requirements.

Accounting Principles

In this current annual report we have continued the section "Summary of Accounting Principles". The more important accounting principles followed by the Company are described in this summary. These accounting principles have been applied consistently during the years 1974 and 1973 and for the most part in previous fiscal periods.

Products and Facilities

In our interim reports of 1974 we indicated studies were in progress to assess the expansion needs of the Company. It is our intention to complete this analysis in full detail, so that we will be ready with definitive expansion plans when the economy regains its strength. In the meantime we have maintained our production facilities, as well as our

results so far?

country-wide service locations, with the most up to date manufacturing and repair equipment.

We produce a complete range of commercial trailers for all hauling needs, manufacturing different models in three locations in Canada. We also produce a line of aluminum van truck bodies. We have pictured throughout this report a selection of trailer equipment for reader interest. We have also provided a Cross Canada summary of our various sales and service locations.

Our service branches are located in the strategic transportation centres throughout Canada. Each service facility represents a significant fixed investment and thus any new location's potential must be carefully assessed. To ensure sound decision in this regard we have embarked on a program of area testing through parts store experience. In a selected location we will open a parts sales store and supply operation, employing only rental premises. In this way we believe we can gain direct business experience and develop local customer contacts on a "profitable as we progress" basis. Once the area can be proven to justify a complete service facility we will be in a position to expand the established customer contacts into a sound operating base.

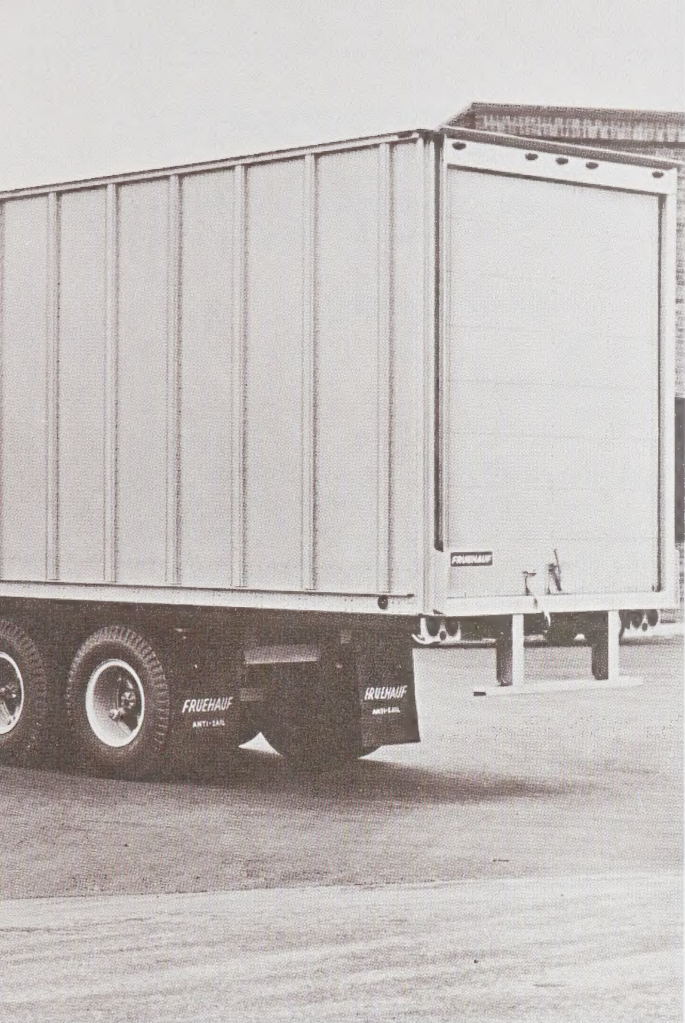
Throughout the Maritimes we maintain a distributor organization which has proven most effective in handling customer needs. In the smaller transportation centres we have established resident dealer representation. By working closely with resident dealers our regular salesmen are in a position to achieve direct customer assistance on scheduled visits.

Fruehauf-Canada as well as being a domestic coast to coast sales and service organization, is part of a world-wide organization servicing all of North America and some sixty countries around the world. Our Company is a public company with shares listed on the Toronto Stock Exchange. Shareholdings are 91% owned by Fruehauf Corporation (U.S.). Under a royalty agreement between our Companies we have available to us all of the extensive research and development of the parent organization. In 1976 and 1977 Canada is scheduled to implement an anti-skid brake control system on all trailers and trucks. When this system is implemented Fruehauf-Canada will have available all of the development and extensive testing already completed by Fruehauf-U.S. This is merely one further example of the benefits which



Model "F" Exposed Post Van Trailer





Model "F" Beaded Panel Van Trailer



have been realized by the arrangement over the years.

Outlook

The year 1974 provided extreme economic and operating challenges for a great number of companies. Many firms went from capacity levels in the early stages to severe curtailment of operations at year's end. Fortunately customer demand for your Company's products and services has been well above the average. While there has been a softening of overall demand, at year-end we hold an adequate backlog for a continuing satisfactory level of manufacturing throughout the first quarter of 1975. Although many economists have predicted 1975 will experience a range of conditions from zero growth to significant downturn, we believe the year in Canada will provide a base for satisfactory results for your Company. There is no doubt that some lessening of demand will, in the long run, be beneficial to curbing inflationary pressures. At Fruehauf we see the strength of our economic control system as beneficial to our future results. We look forward with confidence to 1975 producing a sound investment return for the Company.

Your directors take this opportunity to express their appreciation to our employees and to our customers and shareholders for the confidence they have shown in our activities and products.

On Behalf of the Board

W.E. Grace, President

D.A. Grinstead, Vice President



All Aluminum Dump Trailer

TOUCHE ROSS & CO.
SUN LIFE BUILDING
200 UNIVERSITY AVENUE
TORONTO, ONTARIO M5H 3C9
(416) 366-6521

AUDITORS' REPORT

The Shareholders,
Fruehauf Trailer Company of
Canada Limited.

We have examined the balance sheet of Fruehauf Trailer Company of Canada Limited as at December 31, 1974 and the statements of net earnings, earnings retained for use in the business and changes in financial position for the year then ended. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

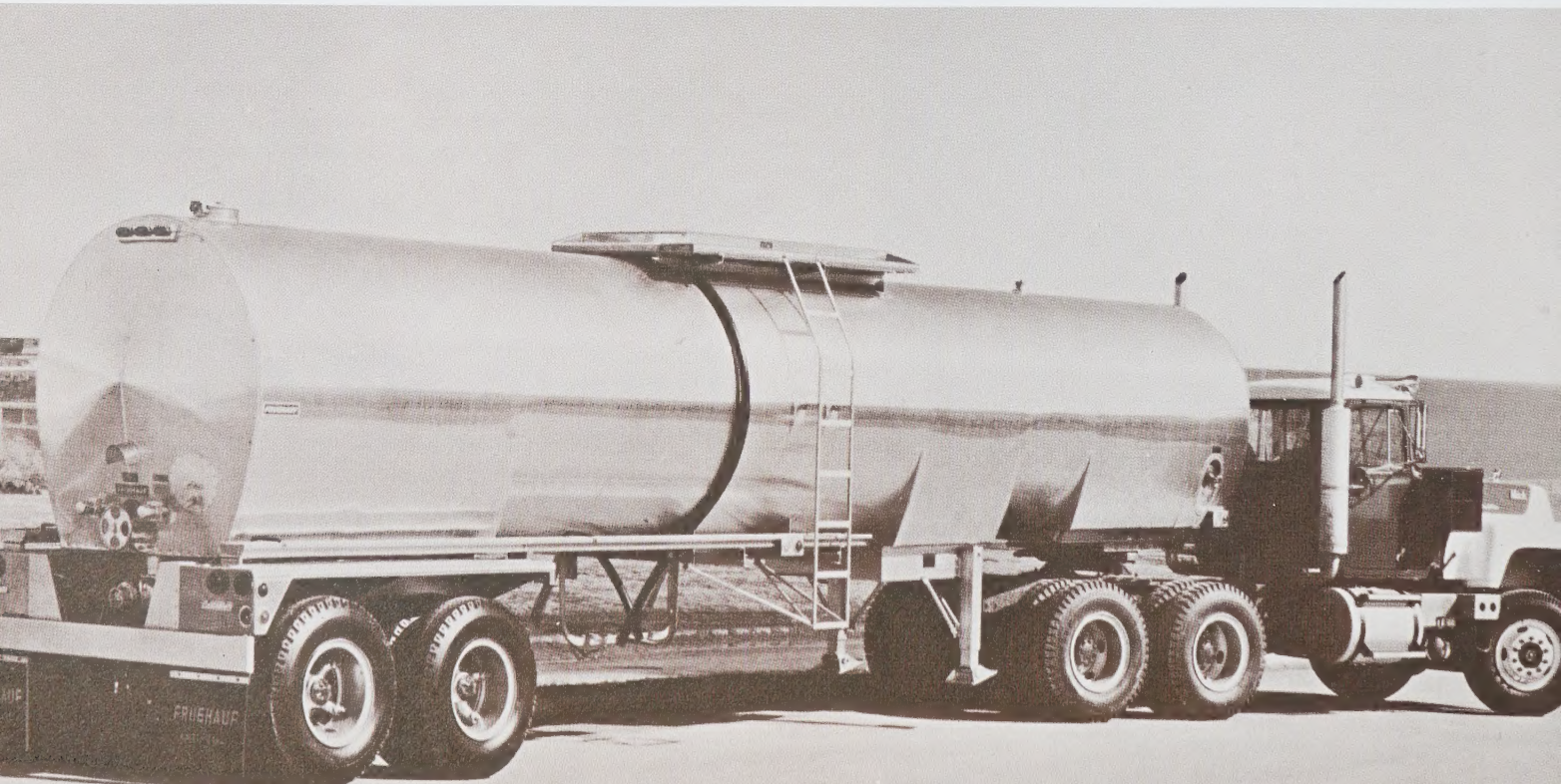
In our opinion these financial statements present fairly the financial position of the Company as at December 31, 1974 and the results of its operations and the changes in its financial position for the year then ended, in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Touche Ross & Co.

Toronto, Ontario,
February 7, 1975.

Chartered Accountants.

Insulated Hot Material Tank



BALANCE SHEETS

FRUEHAUF TRAILER COMPANY OF CANADA LIMITED

(Incorporated under the Canada Corporations Act)

ASSETS

	December 31 1974	December 31 1973
CURRENT ASSETS		
Cash	\$ 284,498	\$ 296,168
Trade receivables		
Installment contracts (Note 1)	17,545,115	14,404,473
Accounts receivable	8,863,187	8,292,631
	<u>26,408,302</u>	<u>22,697,104</u>
Inventories (Note 2)	14,459,363	8,399,089
Prepaid expenses	92,553	105,760
	<u>41,244,716</u>	<u>31,498,121</u>
EQUIPMENT LEASED TO CUSTOMERS (Note 3)	3,417,789	4,694,717
PROPERTY, PLANT AND EQUIPMENT		
Land	478,671	478,671
Buildings and equipment	4,470,338	4,408,330
Machinery and other equipment	4,096,987	3,849,543
	<u>9,045,996</u>	<u>8,736,544</u>
Less accumulated depreciation	4,279,278	3,906,566
	<u>4,766,718</u>	<u>4,829,978</u>
 On behalf of the Board		
W.T. MCDOUGALL, Director		
R.D. ROWAN, Director		
 TOTAL ASSETS	\$49,429,223	\$41,022,816

LIABILITIES AND SHAREHOLDERS' INVESTMENT

	December 31 1974	December 31 1973
CURRENT LIABILITIES		
Notes payable		
Bank—secured	\$ 5,580,000	\$ 2,060,000
Short-term promissory notes	1,200,000	2,300,000
Accounts payable and accrued liabilities	4,736,685	4,473,125
Taxes on income (including deferred of \$1,894,700 in 1974 and \$1,535,800 in 1973)	2,730,033	1,700,120
Due to affiliated companies	1,800,358	1,120,351
Sinking fund payment due within one year	143,000	131,000
TOTAL CURRENT LIABILITIES	<u>16,190,076</u>	<u>11,784,596</u>
OTHER LIABILITIES		
Deferred taxes on income	1,032,100	987,700
5% Note to Fruehauf Corporation	700,000	900,000
5 ¹ / ₄ % Sinking Fund Debentures (Note 4)	800,000	950,000
	<u>2,532,100</u>	<u>2,837,700</u>
SHAREHOLDERS' INVESTMENT		
Capital stock		
Authorized 6,000,000 shares		
Issued and outstanding 2,705,775 shares	5,149,063	5,149,063
Earnings retained for use in the business	25,557,984	21,251,457
	<u>30,707,047</u>	<u>26,400,520</u>
COMMITMENTS AND CONTINGENT LIABILITIES (Notes 5 and 6)		
TOTAL LIABILITIES AND SHAREHOLDERS' INVESTMENT	<u>\$49,429,223</u>	<u>\$41,022,816</u>

STATEMENT OF EARNINGS RETAINED FOR USE IN THE BUSINESS

YEARS ENDED DECEMBER 31, 1974
AND DECEMBER 31, 1973

	1974	1973
Balance at beginning of year	\$21,251,457	\$18,073,274
Net earnings for the year	5,388,837	4,260,493
	<u>26,640,294</u>	<u>22,333,767</u>
Cash dividends paid	1,082,310	1,082,310
Balance at end of year	<u>\$25,557,984</u>	<u>\$21,251,457</u>

STATEMENT OF CHANGES IN FINANCIAL POSITION

YEARS ENDED DECEMBER 31, 1974
AND DECEMBER 31, 1973

	1974	1973
SOURCE OF WORKING CAPITAL OPERATIONS		
Net earnings for the year	\$ 5,388,837	\$ 4,260,493
Depreciation of equipment leased to customers	1,164,293	1,323,637
Depreciation of plant and equipment	481,757	382,910
Increase in deferred taxes on income included in other liabilities	44,400	189,700
TOTAL FROM OPERATIONS	<u>7,079,287</u>	<u>6,156,740</u>
OTHER		
Retirement of equipment leased to customers	516,731	168,420
Disposal of plant and equipment at net book value	5,566	6,145
	<u>7,601,584</u>	<u>6,331,305</u>
APPLICATION OF WORKING CAPITAL		
Cash dividends	1,082,310	1,082,310
Additions to equipment leased to customers	404,096	2,490,012
Additions to plant and equipment	424,063	1,121,288
Decrease in long-term debt	350,000	550,000
	<u>2,260,469</u>	<u>5,243,610</u>
NET INCREASE IN WORKING CAPITAL FOR YEAR	<u>5,341,115</u>	<u>1,087,695</u>
WORKING CAPITAL AT BEGINNING OF YEAR	<u>19,713,525</u>	<u>18,625,830</u>
WORKING CAPITAL AT END OF YEAR	<u>\$25,054,640</u>	<u>\$19,713,525</u>

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 1974

SUMMARY OF ACCOUNTING PRINCIPLES

The significant accounting principles used by the Company are described below. These accounting principles have been applied on a basis consistent with that of the preceding year.

INVENTORIES

Inventory amounts are based upon physical determinations during the year and have been stated at the lower of cost or market prices. Cost prices are determined by the first-in, first-out method, and market prices represent the lower of replacement cost or estimated net realizable amount.

EQUIPMENT LEASED TO CUSTOMERS

Lease rental payments are recognized as income over the period of the lease and the equipment is depreciated on a straight-line basis to a projected lease terminal value.

PROPERTY, PLANT AND EQUIPMENT

The Company records property, plant and equipment at cost. Depreciation is provided on a straight-line basis over the life expectancy of the asset, while employing accelerated depreciation for income tax purposes. Maintenance and repairs are charged against earnings as incurred.

TAXES ON INCOME

The financial statements include appropriate provision for taxes on income for all taxable items included in net earnings regardless of the period when such taxes are payable. Profit from sales financed by installment contracts is recognized for financial reporting purposes in the year of sale; such profit is recognized for tax purposes as payments are received under the contracts. Since the installment contracts which give rise to the tax differences are current assets the related deferred tax is shown as a current liability, although it may not be payable within one year. Non-current deferred income taxes result from the Company claiming a greater amount of depreciation for tax purposes than is charged to income in the financial statements.

PENSIONS

The Company has noncontributory pension plans covering substantially all employees. Current service costs of pension benefits are accrued and funded on a current basis. Past service costs are amortized and funded over periods not exceeding thirty years.

EARNINGS PER SHARE

Earnings per share are calculated on the basis of the average number of shares outstanding during the year.

NOTE 1 — INSTALLMENT CONTRACTS

Installment contracts at December 31, 1974, and December 31, 1973, are stated after deduction of deferred finance charges of \$3,566,258 and \$2,611,205 respectively, and include installments of approximately \$13,409,000 and \$10,651,000 respectively, which are due after one year.

NOTE 2 — INVENTORIES

A summary of inventories follows:

	December 31 1974	1973
New trailers	\$ 2,223,067	\$ 602,502
Production parts, work in process and raw materials	8,203,833	4,955,702
Service parts and orders in process	2,703,032	2,237,172
Used trailers	1,329,431	603,713
	<u>\$14,459,363</u>	<u>\$8,399,089</u>

NOTE 3 — EQUIPMENT LEASED TO CUSTOMERS

Equipment leased to customers at December 31, 1974 and December 31, 1973 is stated at cost less accumulated depreciation of \$3,221,258 and \$3,186,671 respectively.

NOTE 4 — 5 1/4% SINKING FUND DEBENTURES

The 5 1/4% Sinking Fund Debentures, Series "A" are due November 1, 1976. The last sinking fund payment is due in 1975. Redemption price to November 1, 1975 is 100.50% and thereafter to maturity is 100%.

NOTE 5 — LONG-TERM LEASES

The Company is lessee under long-term leases for sales and service branches. The annual rental on such properties will approximate \$170,000 in 1975, exclusive of taxes, insurance, maintenance and repairs, which are also payable by the Company. The Company has the right to purchase three of these properties and if these rights were exercised at December 31, 1974 the aggregate purchase price would amount to approximately \$624,000.

NOTE 6 — PENSIONS

Total pension expense charged to operations was \$341,076 in 1974 and \$229,507 in 1973. Unfunded past service costs of pension plans covering certain employees amount to approximately \$664,299 at December 31, 1974 and \$757,179 at December 31, 1973. The actuarially computed value of unfunded vested benefits was \$194,000 at December 31, 1974 and \$380,000 at December 31, 1973.

NOTE 7 — DIRECTORS AND OFFICERS

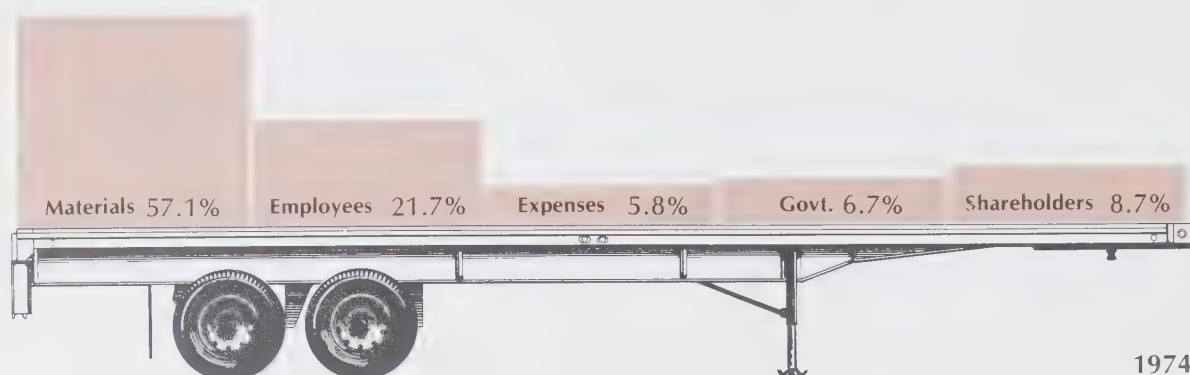
Aggregate remuneration of the seven directors, as directors, amounted to \$1,200 in 1974 and 1973 and for the seven officers, amounted to \$121,000 in 1974 and \$109,000 in 1973. Five officers are also directors.

STATISTICAL SUMMARY OF OPERATIONS

	<u>1974</u>	<u>1973</u>	<u>1972</u>	<u>1971</u>
INCOME DATA				
Sales	\$60,073,980	51,031,753	40,609,738	31,789,041
Finance Revenue	2,049,814	1,464,868	1,684,879	1,732,102
Cost of Products and Service Sold	46,237,615	39,338,356	30,896,381	23,963,131
Per cent to Sales	76.9	77.0	76.1	75.3
Selling and Administrative Expenses	\$ 3,327,728	2,882,982	2,328,839	2,217,022
Per cent to Sales	5.5	5.6	5.7	7.1
Depreciation—Equipment Leased to Customers	\$ 1,164,293	1,323,637	1,115,512	1,134,202
—Plant and Equipment	481,757	382,910	346,739	374,414
Earnings before Taxes on Income	9,539,837	7,687,493	6,946,136	5,145,776
Per cent to Sales	15.9	15.1	17.1	16.2
Net Earnings	\$ 5,388,837	4,260,493	3,597,136	2,501,776
Per cent to Sales	9.0	8.3	8.9	7.9
Per Share Outstanding	\$ 1.99	1.57	1.33	.92
CAPITAL INVESTMENT IN YEAR				
Equipment Leased to Customers	\$ 404,096	2,490,012	1,532,537	1,537,623
Property, Plant and Equipment	424,063	1,121,288	718,624	241,156
FINANCIAL POSITION YEAR-END				
Total Assets	\$49,429,223	41,022,816	35,063,723	30,784,211
Working Capital	25,054,640	19,713,525	18,625,830	17,339,313
Current Ratio	2.5 to 1	2.7 to 1	3.1 to 1	3.7 to 1
Installment Contracts Receivable	\$17,545,115	14,404,473	13,001,551	13,025,951
Equipment Leased to Customers — Net .	3,417,789	4,694,717	3,696,762	3,410,368
Property, Plant and Equipment — Net ...	4,766,718	4,829,978	4,097,745	3,728,400
Shareholders' Equity	30,707,047	26,400,520	23,222,337	21,068,281
Book Value per Share	11.35	9.75	8.58	7.79
EMPLOYMENT				
Number of Employees at Year-end	966	1145	1001	841
SHAREHOLDERS				
Number of Shareholders	417	394	331	296
Dividend per Share (*Incls. 20 interim 1972)	\$.40	.40	.53*	.25

<u>1970</u>	<u>1969</u>	<u>1968</u>	<u>1967</u>	<u>1966</u>	<u>1965</u>
25,643,625	28,967,895	21,367,992	22,952,426	22,911,688	19,348,156
1,700,034	1,457,509	1,105,839	919,850	775,477	632,095
19,319,712	21,734,756	16,652,542	17,354,237	17,088,892	15,050,404
75.3	75.0	77.9	75.6	74.6	77.8
1,954,724	2,072,844	1,764,335	1,729,576	1,697,042	1,470,490
7.6	7.2	8.2	7.5	7.4	7.6
1,126,380	977,428	759,930	564,313	457,234	295,384
349,711	332,633	343,490	305,781	286,138	277,729
3,682,607	4,485,393	2,280,782	3,348,376	3,595,031	2,467,028
14.4	15.5	10.7	14.6	15.7	12.8
1,709,607	2,129,393	1,081,782	1,570,376	1,670,031	1,182,028
6.7	7.4	5.1	6.8	7.3	6.1
.63	.79	.40	.58	.62	.44
1,779,590	1,539,963	1,450,251	759,006	1,023,144	891,274
194,956	384,599	460,929	797,337	413,878	433,130
30,582,683	32,168,250	26,926,953	23,619,559	24,192,856	19,511,355
14,971,346	13,650,970	12,279,152	12,358,891	12,487,399	11,551,133
2.8 to 1	2.2 to 1	2.5 to 1	3.4 to 1	3.0 to 1	4.6 to 1
14,423,000	14,102,500	11,967,900	10,001,350	9,007,303	7,045,080
3,588,896	2,989,117	2,496,318	1,848,143	1,687,672	1,155,984
3,869,507	4,034,112	4,079,448	3,975,530	3,495,960	3,374,570
18,626,449	16,976,786	14,907,337	13,885,499	12,375,067	10,719,973
6.88	6.27	5.51	5.13	4.57	3.97
653	826	792	846	853	781
327	349	371	391	347	357
.25	.25	.25	.25	.17	.17

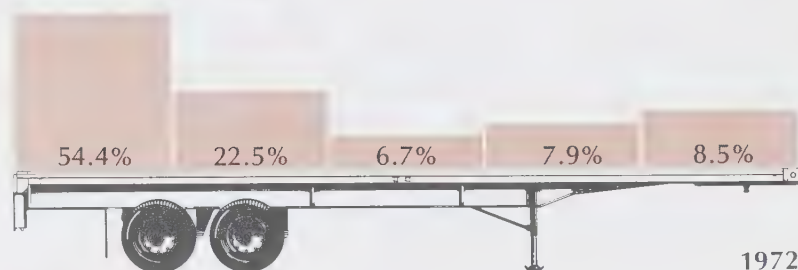
REVENUE DISTRIBUTION*



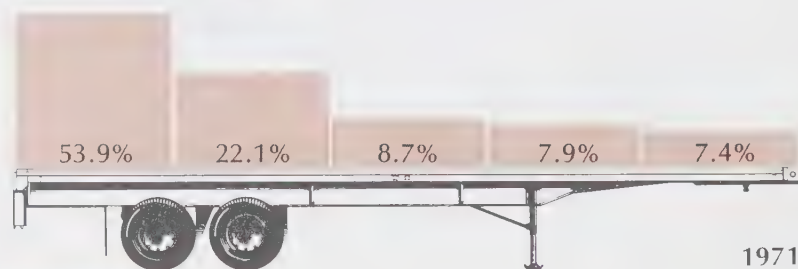
1974



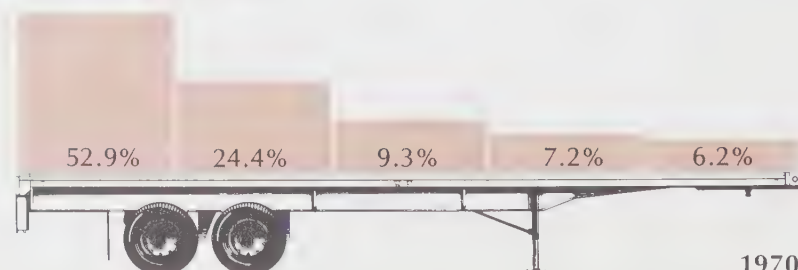
1973



1972



1971



1970

Materials

For raw materials, component parts, accessories and trade-in units for resale

Employees

For wages, salaries and benefits

Expenses

For operating and general expenses including depreciation and interest expense

Government

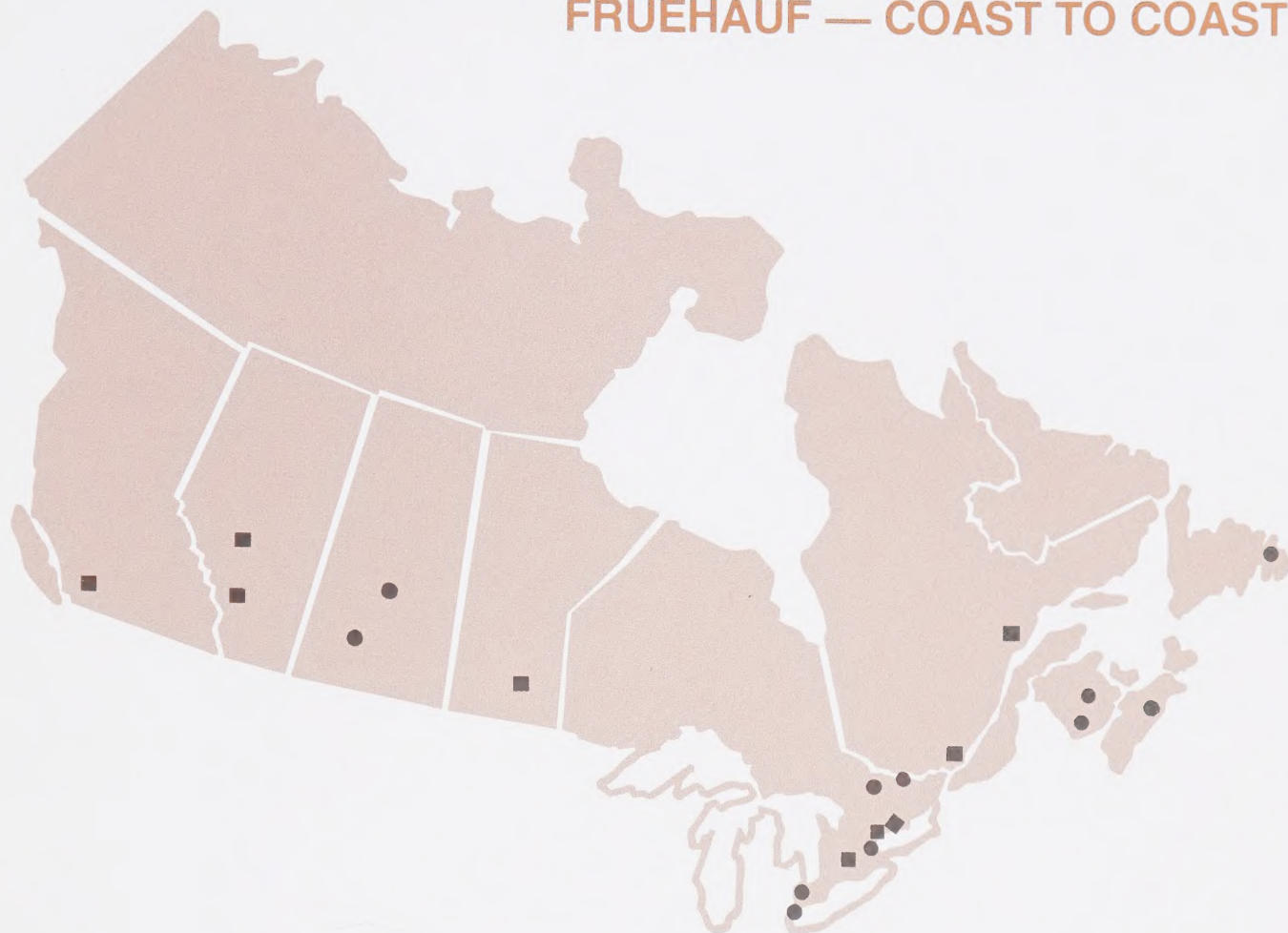
For federal and provincial taxes on income

Shareholders

Net earnings after taxes available for dividends and reinvestment for future growth

*Revenues include sales plus finance revenues earned in each of the periods.

FRUEHAUF — COAST TO COAST



◆ Head Office — 2450 Stanfield Road, Mississauga, Ontario

■ Sales and Service:

Quebec — 555 Edison Street, St. Foy, Quebec
 Montreal — 1515 Montee de Liesse, St. Laurent, Quebec
 Toronto — 861 Middlegate Road, Mississauga, Ontario
 London — Highway 135, R.R. No. 4, London, Ontario
 Winnipeg — 2095 Logan Avenue, Winnipeg, Manitoba
 Calgary — 3619 Ogden Road S.E., Calgary, Alberta
 Edmonton — 13056 — 125th Avenue, Edmonton, Alberta
 Vancouver — 2150 Beta Avenue, North Burnaby, British Columbia

● Distributors and Dealers:

Dartmouth, N.S.
 Fredericton, N.B.
 St. John's, Newfoundland
 Saint John, N.B.
 Hamilton, Ontario
 Ottawa, Ontario
 Windsor, Ontario
 Sarnia, Ontario
 North Bay, Ontario
 Regina, Sask.
 Prince Albert, Sask.

DIRECTORS

W.E. Grace
President of the Company and Chairman of the Board, Fruehauf Corporation, Detroit, Michigan

D.A. Grinstead
Vice President of the Company, Toronto, Ontario

W.T. McDougall
Vice President — Finance of the Company, Toronto, Ontario

T.J. Reghanti
Vice President and General Manager, Fruehauf Division, Fruehauf Corporation, Detroit, Michigan

R.D. Rowan
Vice President of the Company and President and Chief Executive Officer, Fruehauf Corporation, Detroit, Michigan

D.A. De Wahl
Secretary of the Company and Vice President, General Counsel and Secretary, Fruehauf Corporation, Detroit, Michigan

R.J. Telford
Retired: former Vice President of the Company, Toronto, Ontario

OFFICERS

W.E. Grace, President

D.A. Grinstead, Vice President

R.D. Rowan, Vice President

W.T. McDougall, Vice President — Finance

D.A. De Wahl, Secretary

B.A. West, Controller

A. Purdon, Assistant Secretary

TRANSFER AGENT AND REGISTRAR

National Trust Company Limited
Toronto and Montreal

SOLICITORS

Borden & Elliot
Toronto, Ontario

AUDITORS

Touche Ross & Co.
Toronto, Ontario

